

EXHIBIT B4



IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: §
§ Chapter 11
§
FIELDWOOD ENERGY LLC, et al., § Case No. 20-33948 (MI)
§
Debtors. § (Jointly Administered)
§

30(b)(6) ORAL DEPOSITION OF
DEBTOR FIELDWOOD ENERGY, LLC

MR. MICHAEL T. DANE

May 13, 2021

30(b)(6) ORAL DEPOSITION OF DEBTOR FIELDWOOD ENERGY, LLC, MR. MICHAEL T. DANE, produced as a witness at the instance of the Sureties and Parties-in-interest, and duly sworn, was taken in the above-styled and numbered cause on the 13th day of May, 2021, from 9:37 a.m. to 6:43 p.m., before Michelle Hartman, Certified Shorthand Reporter in and for the State of Texas and Registered Professional Reporter, reported by computerized stenotype machine via Zoom videoconference, pursuant to the Federal Rules of Civil Procedure and the provisions stated on the record or attached hereto.

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1 EXHIBITS
 2 EXHIBIT DESCRIPTION PAGE
 3 Exhibit 1 Notice of Rule 30(b)(6) 24
 4 Deposition of Debtor Fieldwood
 5 Energy LLC
 6 Exhibit 2 Dear John e-mail re: Swordfish 69
 7 catch up FWE-0047937
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 9 Exhibit 3 9/17/20 letter to Dane from 77
 10 (blacked out), FWE-0047938 to
 11 47948
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 13 Exhibit 4 7/17/20 letter to Fieldwood 78
 14 Energy, Dear John, re: Offer
 15 to Purchase Co-Owned
 16 Properties, FWE-0047949 to
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 19 Exhibit 5 Decommissioning Agreement 54
 20 between Apache Corporation, et
 21 al and Fieldwood Energy, et al
 22 in 2013, no Bates
 23 Exhibit 6 Exhibit 14, 2021 Farmout 90
 24 Agreement, pages 131 to 158 of
 25 469
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 27 Exhibit 7 Exhibit 8 to the Plan of 95
 28 Reorganization and Disclosure
 29 Statement, titled Standby Loan
 30 Agreement, pages 978 to 1024 of
 31 1032
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 33 Exhibit 8 Transmission Services 101
 34 Agreement, Exhibit 15 to the
 35 Disclosure Statement and Plan
 36 of Reorganization, Document
 37 Number 1285-2, pages 289 to 310
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 40 Exhibit 9 Exhibit 6, Fieldwood Energy I 116
 41 LLC Agreement, Document Number
 42 1285-1, pages 910 to 964 of
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 4 Exhibit 10 Excel spreadsheet, FWE-0000002 176
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 6 Exhibit 11 *Attached but not mentioned, 10
 7 Fieldwood Energy, Inc.
 8 Estimated Future Reserves and
 9 Income Attributable to Certain
 10 Leasehold and Royalty Interests
 11 SEC Parameters as of December
 12 31, 2020
 13
 14 Exhibit 12 *Attached but not mentioned - 10
 15 SpinCo Preliminary G & A Detail
 16 FWE-0000019
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 18 Exhibit 13 *Attached but not mentioned, 10
 19 Category/NewCo/Comments table,
 20 FWE-0000018
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 22 Exhibit 14 *Attached but not mentioned, 10
 23 Excel spreadsheet, FWE-0037606
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 25 Exhibit 15 *Attached but not mentioned, 10
 26 Document beginning "West
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 29 Exhibit 16 *Attached but not mentioned, 10
 30 Excel spreadsheet FWE-0038676
 31 Fields not returning to
 32 production
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 34 Exhibit 17 *Attached but not mentioned, 10
 35 e-mail from Lamme to Lamb
 36 4/29/21 re: BOEM Questions,
 37 FWE-0045280
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 39 Exhibit 18 *Attached but not mentioned, 10
 40 Excel spreadsheet, FWE-0045403
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 43 Exhibit 19 *Attached but not mentioned, 10
 44 Houlihan Lokey expert report of
 45 John-Paul Hanson, 80 pages

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 2 EXHIBIT DESCRIPTION PAGE
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 4 Exhibit 20 Exhibit O Financial 120
 5 Projections, page 439 to 448
 6 Exhibit 21 Excel Spreadsheet FWE-0000016 134
 7 Exhibit 22 *Attached but not mentioned, 10
 8 FWE Amended responses and
 9 objections to sureties
 10 discovery request
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 12 Exhibit 23 *Attached but not mentioned, 10
 13 Exhibit B, page one of three
 14 Exhibit 24 Excel Spreadsheet FWE-0000008 10
 15 Exhibit 25 Disclosure statement, page 1 of 10
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 18 Exhibit 26 Alix Partners Liquidation 10
 19 Expert Report of Marc J. Brown,
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 22 Exhibit 27 Everest Indemnity Agreement 245
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now that we're doing this by Zoom, but you shouldn't do that in the first place in a deposition. So it is important that you give me verbal responses.

It is also important that you understand the question. If I ask a question, and you don't understand it, but you give an answer, I will assume that you've understood the question. It is also important that you and I and Mr. Perez, to the extent he interposes an objection, don't talk over each other because our friend, Michelle, is transcribing everything that we say and, therefore, it will be hard for her if we talk over each other for her to transcribe what we say.

That's another point, the description of this. Michelle, Madam Court Reporter, is typing out all the words that we say. So at the end of this, what we will have is a transcript of everything we say: My questions, Mr. Perez's objections, and your responses.

It's also important that if you would like to take a break -- it could be a long day, I have no problem with us taking breaks, so if the challenge might be that you're not in the same room with Mr. Perez, I will be very understanding if you want to take a break; and frankly, I will likely need

THE COURT REPORTER: Okay. Can I get an agreement between Counsel, please, the court reporter can swear in the witness remotely.

MR. GRZYB: Okay with me.

MR. PÉREZ: Yes, ma'am.

MR. MICHAEL T. DANE,
having been first duly sworn, testified as follows:

EXAMINATION

Q. (BY MR. GRZYB) Good morning, Mr. Dane, and thank you for your time today. My name is Darren Grzyb. I'm a lawyer with the firm of Chiesa, Shahinian & Giantomasi. I have four surety clients that are involved in this case: Everest, Aspen, Berkeley, and Sirius.

It was our notice of deposition that was issued from my office signed by me that today's proceeding relates to. As I said, today is a deposition. Have you been deposed before, Mr. Dane?

A. No, I have not.

Q. Then I think it is important to start with some ground rules. The format of today's proceeding is a question-and-answer session. I will be asking you questions, and it is important that I issue verbal questions and you are to give me verbal responses. You can't shake your head, particularly

to take breaks during this process as well.

That's all I have for now in terms of ground rules. If you have any questions as to the ground rules, let me know.

Do you have any questions?

A. No, thank you very much.

MR. PÉREZ: So, Darren, this is Alfredo Perez, before we get started, the -- you've provided us -- we have had the courtesy of you providing us several depositions with the exhibits that we have reviewed. Several of the exhibits have been marked "Confidential" and several of them have been marked "Highly Confidential," pursuant to the Protective Order that was ordered by the Court.

So I just want to make sure that everyone on the -- that is in the Zoom deposition -- and there are approximately 40 participants -- has either agreed to be bound by the terms of that and that there aren't -- there isn't anyone here who's otherwise not -- you know, that -- that the debtor is protected as a result of that deposition.

So I suspect that when you're going in -- when you're going into documents that were marked "Highly Confidential," you'll alert us so that we can check that again, but that is my only comment at this

1 cash flow to be able to represent an attractive
2 business proposition to stakeholders that are
3 investing hundreds of millions of dollars of new
4 capital as a part of that restructuring.

5 Q. So, just to paraphrase what you have
6 said, 80 percent deepwater, 20 percent shelf, and of
7 that 80 percent that's in deepwater, how many are
8 those, again, are wells that Fieldwood has drilled
9 and that you're the first entity in the chain of
10 title?

11 A. Fieldwood drilled five wells in deepwater
12 on leases that generally have extensive chain of
13 title ownership or very significant predecessor, and
14 more of those wells were drilled with co-working
15 interest owners.

16 Q. And then now coming out of bankruptcy,
17 it's my understanding that you have -- and was the
18 Genovesa well one of those five or was that
19 considered a different well?

20 A. No, that was -- that was one of the five.

21 Q. And now coming out of bankruptcy, it is
22 my understanding that Fieldwood would like to drill
23 six more wells. Is that your drilling plan?

24 A. The plans generally contemplate one to
25 two three wells per year, but again, the strategy is

1 focused on a business plan that has a disciplined
2 capital investment program and the ability to
3 generate cash flow.

4 Q. And those wells are the Katmai 2, 3, and
5 4, the Gunflint, the CPN, and the Big Bend Number 2;
6 is that correct?

7 A. Those are wells that are in our inventory
8 and incorporated in our projections. We have a
9 significant inventory that's under a continuous
10 evaluation, and like any company, we're always
11 looking for the best opportunities to pursue at any
12 given time.

13 Q. Have all of those wells been permitted?

14 A. No.

15 Q. Have you any of them been permitted?

16 A. Can you recite for me which wells again
17 you're -- you're asking about?

18 Q. Certainly. And I'm not intending to
19 trick you, so if -- if you have a question or if I'm
20 ever inarticulate, and I have been -- I have been
21 that before, just let me know. I want to make sure
22 you understand my questions.

23 Has the Katmai Number 2 been permitted?

24 A. It has not.

25 Q. Has the Katmai Number 3 been permitted?

1 A. No.

2 Q. Has the Katmai Number 4 been permitted?

3 A. No.

4 Q. Has the Gunflint been permitted?

5 A. There is multiple wells in the Gunflint
6 and the Gunflint's yield. I'm not aware that those
7 wells have been permitted.

8 Q. Has the CPN been permitted?

9 A. No.

10 Q. Has the Big Bend Number 2 been permitted?

11 A. No.

12 Q. Will each of those wells be a similar
13 deepwater well to the Genovesa well or are some of
14 those also shelf wells?

15 A. The wells that you specified are
16 deepwater wells.

17 Q. What does it cost typically to drill a
18 well like that?

19 A. There is a wide range of costs for
20 drilling deepwater wells. A dry hole cost of a
21 sidetrack may be as low as 20 or \$30 million. A
22 deep, new well may cost, for the dry hole cost, in
23 excess of \$60 million.

24 Q. What did it cost when you drilled the
25 Genovesa well, just by reference?

1 A. I believed the dry -- I don't --

2 MR. PÉREZ: Yeah, if you don't know --

3 but I'm a little concerned about, you know, continued
4 questions about Genovesa, which, as you know, have
5 been the subject of significant disputes between the
6 parties, and I don't think this is intended to be a

7 deposition relating to Genovesa, but I mean, if you
8 know, the answer, if you have the number, if you know
9 the number.

10 MR. DUEWALL: If he has a number? He is
11 the CFO. I'm asking him what the budget was when it
12 got drilled. I think he should know that. And I'm
13 not asking anything else right now, so let's not
14 jump -- let's not get too far ahead of ourselves with
15 our objections.

16 THE WITNESS: Yes, I would have to
17 consult our records. I don't have the number at my
18 fingertips.

19 Q. (BY MR. DUEWALL) And do you know what the
20 de-com cost would be for a well like the Genovesa
21 well?

22 A. A deepwater well can cost anywhere from
23 eight to \$20 million to be decommissioned is probably
24 a general range.

25 Q. You cut out when you were talking, and I